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C O N F I D E N T I A L SECTION 01 OF 02 VIENTIANE 000089

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STATE FOR INL/AAE STATE FOR EAP/MLS PACOM FOR JIATF-W

E.O. 12958: DECL: 02/07/2018

TAGS: SNAR XC LA

SUBJECT: GOL SAYS COOPERATION WITH US ON COUNTER NARCOTICS

IMPROVING

REF: VIENTIANE

Classified By: Ambassador Ravic R. Huso for reason 1.4 (d)

- 11. (C) Summary: The Ambassador met with Minister of the President's Office and Chairman of the Lao National Commission for Drug Control and Supervision (LCDC) Soubanh Srithirath to discuss counter narcotics and transnational crime cooperation. The Minister noted the marked improvement in the GOL-USG working relationship on drug sector issues that has occurred during the past several months. Soubahn cautioned, however, that there are daunting challenges that must be overcome before Laos and ASEAN can hope to be truly drug free, problems that Laos can only solve through close collaboration with the U.S. and the international community. In response to the Ambassador's call for better cooperation on two drug demand reduction projects that Soubanh had put on hold, the Minister agreed to proceed immediately with one and to work with the Embassy to seek a path forward on the other. End Summary.
- 12. (SBU) The Ambassador and Transnational Crime Affairs Officer met with Minister Soubanh to discuss U.S.-Lao cooperation on transnational crime. The Ambassador said that while funding for our crop control, demand reduction, and law enforcement programs had declined in recent years, the Embassy remained strongly committed to these programs. He outlined the Embassy's counter narcotics objectives, stating that Laos needs to achieve two goals. First, it must further reduce opium production through sustained alternative development, an effort that must continue until the potential for resurgent poppy cultivation has permanently diminished to a negligible level. Second, Laos must reduce trafficking and abuse of methamphetamine. The U.S. will continue to cooperate with Laos to achieve these goals.
- 13. (SBU) Minister Soubanh observed that there had been a distinct improvement recently in U.S.-Lao drug sector cooperation, and that the Embassy and LCDC staffs were working together very effectively. Soubanh emphasized the Laos needs for the U.S. to continue its assistance and maintain its role as the strategic partner in counter drug programs.
- 14. (C) Soubanh stated that one serious impediment to further reduction in opium cultivation was the rapid rise in the opium farm gate price, now averaging \$760 per kilogram. Soubanh said that a family working a half hectare plot can expect a yield of three kilograms, netting more than \$2200, a very good income by local standards in the highlands. He

lamented that prices were so high that even some district level officials had been caught planting poppy. He said that the harvest would be at its height during January and February.

- 15. (U) Soubanh commented that the ongoing opium awareness campaign was critical to these efforts, as without the deployment of the awareness teams, there was no way to prevent the harvest from going forward. (Note: During the 2007-2008 opium growing season, the Embassy has more than doubled the funding available for this campaign over previous years, and for the first time ever, the GOL will deploy awareness teams into the countryside multiple times during a single growing season. End note). More long term, Soubanh said that reducing the number of opium addicts was equally critical, as they sustained the domestic demand which kept prices high and made opium an attractive crop. He expressed concern over the current rate of recidivism, and said that the number of addicts is climbing back toward previous levels. Soubanh suggested that opium addiction could only be brought under control through cooperation between the GOL, the USG, and UNODC.
- 16. (C) With regard to regional cooperation, Soubanh said that "making ASEAN drug free by 2015 was, "easy to say, but hard to do." The Minister had recently met in Siem Reap with Vietnamese and Cambodian delegations to discuss counter narcotics cooperation between the three nations. He commented that Vietnam had accused Laos of being a source country for heroin, a point to which Soubanh took particular umbrage. He vociferously asserted that while heroin from Burma did pass through Laos, heroin is not refined on Lao territory.

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- 17. (C) The Ambassador turned to the subject of future cooperation between Laos and the United States on drug demand reduction projects. He explained to the Minister that because not all funding is controlled by the Embassy, it may be necessary to demonstrate flexibility over the means of implementation for a given project. He asked for Soubanh's assistance moving forward with two demand reduction projects, the INL/C/CJ funded drug counselor training provided by Daytop International, and the similarly funded construction of the Vientiane Provincial Drug Treatment Center, preferably with contracting support provided by Navy's Regional Officer in Charge of Construction (ROICC) based in Bangkok. (Note: Soubanh had previously expressed reservations about both the Daytop Program and the involvement of Navy personnel in contracting for counter narcotics programs. End note).
- 18. (C) Soubanh agreed to the use of Daytop International to provide drug counselor training, as need is urgent, and said he would leave it to his staff to work out any issues with the TCAS. With regard to using ROICC as a contracting agent, Soubanh said that he was unfamiliar with that organization or its mode of operation, and asked that the TCAS provide a sample contract from ROICC and a summary of the procedures they would employ to monitor construction projects in Laos. This would help him to make a decision on how best to move forward (Note: these documents have been provided to Soubanh. End note).
- 19. (SBU) The Ambassador tendered the possibility of a visit to the U.S. by senior Lao officials so that Lao law enforcement policy makers could discuss transnational crime issues with interlocutors in the USG including the Department's Bureau of International Narcotics and law Enforcement (INL), the Drug Enforcement Administration (DEA), and the Office of National Drug Control Policy (ONDCP). Soubanh stated that he was very interested in this opportunity, and would ask his staff to discuss the details with the Embassy's TCAS.
- 110. (C) Comment: The trend in counter narcotics cooperation

between the U.S. and Laos is positive, especially in terms of the working relationship on crop control and law enforcement programs. Both the Embassy's TCA and DEA offices have noted a marked improvement in their areas of responsibility. Soubanh's intransigence on some demand reduction projects had been a cause for concern recently, but the greater flexibility he demonstrated during this meeting indicates that the GOL's position has turned for the better. End Comment.

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